

DEC 7 '98

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OF COUNSEL
URBAN A. LESTER

December 7, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Lease Schedule to Master Equipment Lease Agreement, dated November 30, 1998, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Master Equipment Lease Agreement previously filed with the Board under Recordation Number 21005.

The names and addresses of the parties to the enclosed document are:

Lessor : First Security Bank, NA
381 East Broadway, 2nd Floor
Salt Lake City, Utah 84111

Lessee : LRC Credit Corp.
704 E. Gallatin
Livingston, Montana 59407

A description of the railroad equipment covered by the enclosed document is:

one (1) locomotive LRCX 8021 (formerly NW 8021)

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Counterpart - J.A.

Vernon A. Williams
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Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/bg
Enclosures

FIRST SECURITY LEASING COMPANY

RECORDATION NO. 21005-C FILEDLEASE SCHEDULE TO
MASTER EQUIPMENT LEASE AGREEMENT

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This Lease Schedule to Master Equipment Lease Agreement (the "Lease Schedule") is entered into pursuant to the terms of the Master Equipment Lease Agreement (the "Agreement") between the signatories hereof dated October 7, 1997 and constitutes a separate lease (the "Lease") thereunder.

All the terms and conditions of the Agreement are hereby incorporated herein and made a part hereof as if such terms and conditions were set forth in this Lease Schedule at length and all capitalized terms not otherwise defined in this Lease Schedule shall have the meaning set out in the Agreement. By their execution and delivery of this Lease Schedule Lessor and Lessee hereby reaffirm on and as of the date hereof all the terms, conditions, agreements, representations and warranties contained in the Agreement. A copy of the signed Agreement attached to the Lease Schedule, which attachment shall adopt the copied signatures on the Agreement as of the date of the Lease Schedule, shall constitute an original lease. A copy of the Agreement and the Lease Schedule shall alone constitute the chattel paper for purposes of perfecting a security interest.

A) Description of Equipment

Quantity	Vendor	Description	ID or Serial #	New or Used	Invoice Purchase Price
1	LRC CREDIT CORP.	LOCOMOTIVE, C30-7 UNIT 8021	8021	U	\$250,000.00
TOTAL INVOICE PURCHASE PRICE: \$ <u>250,000.00</u>					

B) Term. 60 months.

C) Rental.

1. Monthly ☒ 2. Advance ☐
 Quarterly ☐ Arrears ☒
 Semiannually ☐
 Annually ☐
3. Rental Payment Dates: December 30, 19 98, and on the same day of each Month with the final payment on December 30, 2003
4. Basic Rental in an amount equal to 0.020448 of the total invoice purchase price of all Items is payable on each Rental Payment Date.
5. Interim Rental in an amount equal to N/A of the invoice purchase price for each Item for each day from and including the date of acceptance for such Item to but excluding the first Rental Payment Date will be payable on the first Rental Payment Date.

D) Residual Value. -0- of the invoice purchase price of each item.

E) Location. The Equipment shall be located at:

Address: 704 E GALLATIN LIVINGSTON, MT 59047
 County: PARK

If required, the Equipment will be registered in MT.

F) Security Deposit. Concurrently with the execution hereof Lessee shall deposit with Lessor the sum of N/A as a security deposit which Lessor may use to satisfy any unpaid late charges, recording fees or other amounts due and unpaid. Any unused portion of the deposit will be returned to Lessee without interest upon expiration or earlier termination of the Lease and upon payment of all sums then due and owing to Lessor, or Lessee may, at its option, apply the unused balance of the security deposit toward the last Rental payment.

G) Insurance. The minimum amount of insurance to be provided by Lessee as required under the terms of the Agreement shall be as follows:

1. Liability:
 \$ 1,000,000.00 each individual
 \$ 1,000,000.00 each accident
 \$ 1,000,000.00 property damage liability
2. Physical Damage and Loss: \$ 250,000.00
3. Additional riders, exclusions or special terms required by Lessor: NA

H) Certificate of Acceptance.

Lessee, having entered into the Agreement and the Lease Schedule does hereby certify to Lessor that as to the Equipment listed in Section A of the Lease Schedule or any Exhibit attached and incorporated to the Lease Schedule:

- The Equipment is of a size, design, capacity and manufacture selected by Lessee, is in good condition and has been satisfactorily delivered and installed. Lessee hereby expressly assumes all responsibilities in connection with the delivery and installation thereof;
- Lessee is satisfied that the Equipment is suitable for Lessee's purposes;
- Unless otherwise indicated, the Equipment is new and unused on the date hereof except for routine testing and inspection;
- Upon payment of the Invoice Purchase Price(s) to the Vendor(s) indicated there will be no liens, security interests or encumbrances against the Equipment except the interest of Lessee under the Agreement;
- There exists no Event of Default or condition which, but for the passing of time or giving of notice or both, would constitute an Event of Default under the Agreement; and
- The Equipment is personal property and will not become either real property, fixtures or inventory.

I) Other Terms.

SEE ATTACHED SECURITY AGREEMENT FOR ADDITIONAL COLLATERAL

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Schedule to be duly executed on behalf of each of them on November 30, 1998 and the signatories warrant their authority to bind principals.

LESSEE:

LRC CREDIT CORP.

a(n) Montana CorporationBY: [Signature]

ITS: [Signature]
 Address: 704 E GALLATIN
LIVINGSTON, MT 59047

Federal ID or Social Security Number: 81-0450947

LESSOR:

FIRST SECURITY BANK, N.A.

By: [Signature]

Its:

Address: c/o First Security Leasing Company
381 East Broadway, 2nd Floor
Salt Lake City, Utah 84111

Kathleen R. Hartley
10/17/2003

Brady Depont
4/22/04